Address to the European Labour Authority Annual Conference 2024

27 June 2024, Brussels

Esther Lynch, General Secretary, European Trade Union Confederation Keynote Speech on 'Navigating Europe's Labour Mobility Landscape:5 years of ELA and 30 years of EURES'

Check against delivery

Dear Executive Director Boiangu, Commissioner Schmit and Deputy Prime Minister Dermagne and distinguished guests,

The ETUC, representing 45 million workers and their trade unions, is proud to speak on the 5th anniversary of the European Labour Authority and to its goal of enforcing *fair* mobility.

Strengthening the institutions of work to stamp out exploitation is a priority for the ETUC.

There is a lot of dissatisfaction coming from the world of work.

There are genuine feelings in large part of society that things are not going well or fairly in all workplaces.

Mobile and migrant workers make an important contribution to the EU internal market, and often in essential sectors. Yet, often they face exploitation.

<u>European surveys</u> show that more than 80% of EU citizens are in favour of free movement.

Equal opportunities, access to the labour market and good working conditions are seen as the most important issues by Europeans. On the





other side of the spectrum, we can also see that concerns linked to poor working conditions and economic insecurity tend to feed euroscepticism.

Experiences such as the <u>striking lorry drivers in Gräfenhausen</u> last year shined light on enforcement challenges at the border of labour mobility and migration and also demonstrated the importance of **transnational trade union solidarity.**

We must be clear: there can be no second-class workers, and the principle of equal treatment must always be defended.

The question is being asked: how do we ensure respect for all workers – no matter who they are or where they are from?

Our collective task is to answer that question.

The European Labour Authority is part of the answer.

The ELA represents a key piece in building the necessary conditions for *fair* mobility that promotes quality jobs for all.

In just a few years, the ELA has already demonstrated the added value it brings to the table.

The milestone of 100 inspections has been reached, but this is still too few compared to the size of the problem, so we count on these efforts to expand and multiply across Member States and sectors.

We have been happy to engage with the early **information campaigns** that raised awareness about rights and obligations of fair mobility, they were helpful in the formation stages, and we now look forward to seeing the focus shift to increasing inspections.

Also, the ELA's **activities involving social partners** at sectoral and national level have been particularly appreciated by trade unions and should





continue to be encouraged as these activities can help multiply change on the ground.

The ELA has also shed light on many of the concerns we see today in the field of labour mobility, in particular when it comes to cross border issues such as: **agency and third-country national postings, letterbox companies and abusive subcontracting**.

These cross-border issues **pose serious challenges for workers, trade unions, and enforcers**.

Let me give you just one example, we see that some subcontracting arrangements in construction have been major factors in exploitation, fraud, and other labour abuses when done for cost-cutting reasons. I remember a quote from a recent study presented in the European Parliament:

Some unscrupulous employers are using divide-and-conquer tactics to keep mobile workers and the local workforce apart so that they won't be able to support each other to ensure better standards.

A mobile worker spoke of their boss as only being interested in them working "faster, faster, faster" to the detriment of their safety and wellbeing.

The ELA's inspections have shined some light on these issues and are helping to bring important evidence to the discussions we need to have with European lawmakers during the next mandate.

The title of today's conference is "*Navigating Europe's Labour Mobility Landscape*", and indeed, from the perspective of an individual worker, enjoying one's freedom of movement does not come without challenges.





- As a worker coming from another country, you might not always be aware of your rights or speak the local language.
- You are also more likely to suffer discrimination and abuse...
 Perhaps the job or employer turns out to be different from what you were promised, or you might be charged money for your recruitment, training or tools.
- You could even end up in a situation of dependency on your employer
 not only for your income, but also for your accommodation or residence permit.

All of this makes these workers more prone to abuse, and less likely to speak up.

It is of course **not enough to be aware of one's rights** and obligations, but these rules and standards must be *enforced*.

To give a concrete example, the principle of **equal pay for equal work in the same place** – a flagship initiative enshrined in EU law – is nothing but a paper tiger without the necessary tools to ensure its effective *compliance*, *monitoring* and *enforcement*.

As was particularly evident during the Covid19 outbreak, mobile and migrant workers are often among the **most vulnerable and the least protected** in the labour market. This cannot continue, as we say in the trade union movement, an injury to one worker, is an injury to all workers.

And make no mistake, measures put in place to ensure the rights and obligations that protect workers cannot be criticised as if they are a **burden**

and an unfair cost for business.

For the next steps, we must continue to develop the **map, compass and road to fair mobility**.





ETUC research has shown that abusive subcontracting allows business to focus on **profit and power while blurring employment responsibilities and shifting risks onto workers.** As the supply chain grows and gets longer, good working conditions shrink, especially at the bottom of the chain. To navigate this complex landscape and eradicate all of the legal grey zones,

we need to equip ourselves with the right tools.

- The ETUC is calling for dedicated EU funding to support trade union networks of counselling services for mobile and migrant workers. These centres do tremendously important work on the ground to support fair mobility, by offering personalised advice to workers in their own language, helping them to claim their rights.
- The ETUC is calling for better **digital enforcement tools** This is not an end in itself; we need digitalisation which actually leads to improved cross-border cooperation and enforcement.
- We call for a **general EU legal framework to regulate subcontracting and labour intermediaries** that would introduce a maximum length of the supply chain, coupled with joint liability throughout the chain.
- We need to ensure that **no public contract is awarded to companies without a collective agreement**. Taxpayers' money should only go to companies with fair play and decent wages.
- The EU institutions need to continue to **promote social dialogue and collective bargaining**. Collective agreements are key to ensuring equal pay for workers, and therefore it is of utmost importance that labour inspectorates strengthen their cooperation with social partners.





And, colleagues, let's all join together and call for a **stronger mandate for the European Labour Authority**. For the ETUC, this means an enlarged scope. The existing Seasonal Workers Directive and the Employer Sanction Directive should be added to the competencies of the ELA to better protect the working conditions of migrant workers. This also requires a stronger data processing mandate, allowing the ELA to more effectively collect data, investigate cases and follow-up on inspections.

All of these demands have been echoed in the recent La Hulpe Declaration on the Future of the European Pillar of Social Rights that provides a compass for the ETUC's goals of promoting security and safety for workers, improved pay and working conditions, and improved living conditions. We take this opportunity to thank the Belgian presidency for having placed a review of the ELA and the importance of *fair* labour mobility high on the political agenda this year.

Importantly, the Letta Report on the Future of the Internal Market, echoes these same policy demands as Enrico Letta situates the freedom of movement in a broader policy context, looking at the other side of the coin – the freedom to stay. For the ETUC, mobility in the EU is not only something to be freely accessible for everyone, but free from abuse – and importantly, also freely chosen. We are talking about quality jobs for all.

In conclusion, colleagues, the lessons learned during the past five years call for a reinforcement of the role of the ELA, and the need for improved cooperation with Member State authorities and the inclusion of social



SYNDICAT EUROPEÆN TRADE UNION



partners not only when it comes to cross-border enforcement but to stamp out exploitation everywhere.

As the eyes and ears on the ground, **cooperation with trade unions** will be key, in supporting workers, bringing cases, and ensuring a proper follow-up to inspections.

The core mission of the ELA needs to ensure **fair labour mobility through effective** <u>enforcement</u>. As a labour *Authority*, its very being lies in *enforcement*, and increasing resources should therefore continuously be channelled into **ensuring that the rules are followed**.

Labour inspection is a public service, and effective enforcement is in the interest of *everyone* – for a sustainable and more socially responsible internal market where fair competition and a level playing-field prevails.

It is **in this spirit that the European trade union movement will continue to work** with the ELA for the years to come.

Our expectations on the ELA remain high – and rightfully so – but the ELA will find a close ally in the ETUC for the future because we can only build a more just world- **together.**

Thank you

